

Monthly Fact Sheet 30 September 2018

Investment Objective and Policy

The objective of the fund is to deliver long term capital growth to investors by investing in a diversified portfolio of European (ex-UK) companies. The fund has an unconstrained approach investing across the size spectrum down to a minimum market capitalisation of c.€50m.

Investment Approach

The managers believe there are both structural and cyclical inefficiencies in the way equity markets function and seek to apply a 'Modern Value Investing' approach to exploit these inefficiencies. The managers are looking for companies with undervalued cash flows delivered by healthy but overlooked companies.

| | |
|--------------------|-----------------|
| Launch Date | 6th March 2018 |
| IA Sector | IA Europe ex UK |

| | | |
|-------------------------------------|---------------|---------------------|
| Share Price (as at 30.09.18) | | |
| | <i>Income</i> | <i>Accumulation</i> |
| B Shares | 98.49p | 101.16p |

| | | |
|-------------------------|---------------|---------------------|
| Codes (B Shares) | | |
| | <i>Income</i> | <i>Accumulation</i> |
| Sedol | BFNL2N1 | BFNL2P3 |
| ISIN | GB00BFNL2N15 | GB00BFNL2P39 |

Fund Managers



Dale Robertson joined Chelverton in 2017. He began his career as a chartered accountant at Arthur Anderson, moving to Edinburgh Fund Managers in 1995. He then managed European funds at SWIP before moving to Edinburgh Partners where he managed the EP European Opportunities Fund from 2003 – 2016.



Gareth Rudd joined Chelverton in 2017. He began his career in financial services in 1996 at Edinburgh Fund Managers. He then moved to ABN Amro where he was a long/short investor within Principal Strategies until 2009. Before joining Chelverton, Gareth was a partner at Willis Welby, a boutique research house.

MI Chelverton *European Select Fund*

Monthly Manager Commentary

European markets were again weaker in September, as focus shifted back onto macro issues such as US/China tariff wars, Italian budget deficit levels and deal/no deal for Brexit.

The fund's performance was also slightly down over the month. In terms of positive share price performance, Grieg Seafood continued to perform strongly, as structural supply constraints in the salmon market continue to benefit the company. Subsea 7 also performed well. We remain confident that the medium-term prospects for oil services companies such as Subsea are good, as Oil Majors revisit capex plans following several years of low investment levels. Leonardo, the Italian defence and aerospace company also performed well, following a significant contract win for its Helicopter division. On the negative side, Naturhouse Health, the diet and nutritional specialist's shares were weak, following the payment of its significantly sized interim dividend. VAT Group, the world-leading supplier of vacuum technologies to semiconductor manufacturers was also weak, on concerns that the semiconductor cycle continues to slow. We took advantage of short term weakness to add to the position. Kaufman and Broad, the French housebuilder, was also weak. The company subsequently reported strong results, which should allay some concerns regarding the French housing cycle.

In terms of investment activity, we took profits in DNB. DNB has noticeably outperformed Financials generally, and we took the decision to recycle our profits into our other holdings. We also sold our investment in BB Biotech. The Swiss Biotech investment vehicle is now valued at a significant premium to NAV, and better opportunities exist elsewhere. We added to a number of our existing holdings, including Data Respons, Ringmetal, Bayer, ING, UBS, Unicredit and VAT Group, where we continue to see excellent upside opportunities.

Top 20 Holdings

| <i> Holding </i> | <i> Sector </i> | <i> % of Portfolio </i> |
|-----------------------|-----------------|-------------------------|
| 1. UBS | Financials | 3.0 |
| 2. Sanofi | Health Care | 2.9 |
| 3. Leonardo | Industrials | 2.9 |
| 4. Roche | Health Care | 2.8 |
| 5. PostNL | Industrials | 2.8 |
| 6. Bayer | Health Care | 2.7 |
| 7. Siili | Technology | 2.6 |
| 8. Ringmetal | Industrials | 2.6 |
| 9. Novartis | Health Care | 2.5 |
| 10. ING Groep | Financials | 2.5 |
| 11. Capgemini | Technology | 2.4 |
| 12. Zurich Insurance | Financials | 2.4 |
| 13. Subsea 7 | Oil & Gas | 2.4 |
| 14. Bravida | Industrials | 2.3 |
| 15. Inwido | Industrials | 2.3 |
| 16. Schneider | Industrials | 2.3 |
| 17. Fugro | Oil & Gas | 2.2 |
| 18. Bolsas y Mercados | Financials | 2.2 |
| 19. ISS | Industrials | 2.2 |
| 20. ICF Group | Basic Materials | 2.2 |

Source: Chelverton Asset Management Limited



CHELVERTON
ASSET MANAGEMENT

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ACD
Maitland Institutional Services Limited

Investment Advisor
Chelverton Asset Management Limited

Administrator
Maitland Institutional Services Limited

Income Paid Biannually

XD Dates 30 June, 31 December

Valuation 12 Noon

Annual Management Fee (%)

B Shares 0.75

Minimum Investment

B Shares £1,000

Ongoing Charge (%)

B Shares 1.00

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FURTHER INFORMATION

Please contact Spring Capital Partners, in the first instance.

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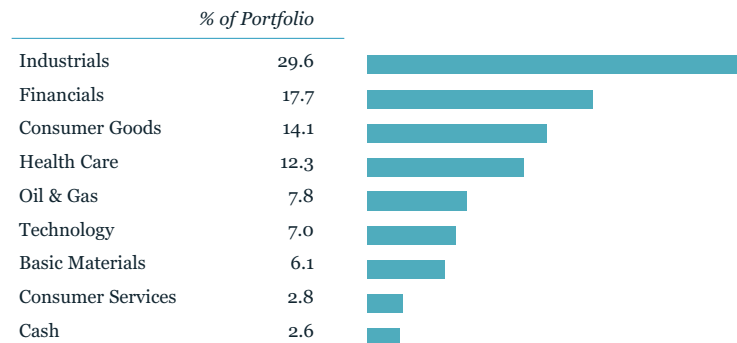
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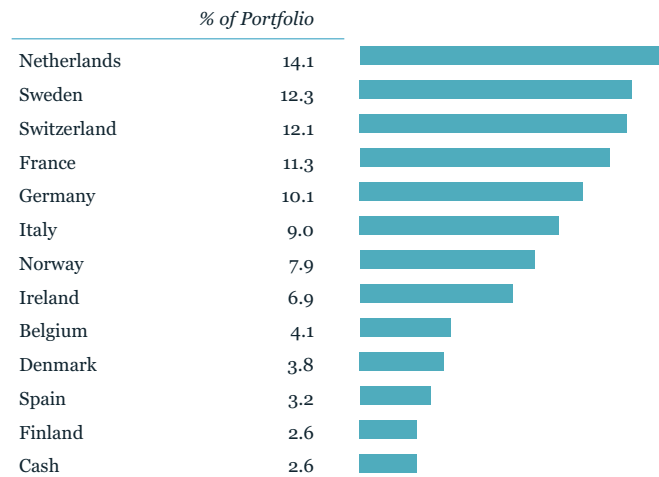


MI Chelverton *European Select Fund*

Sector Breakdown



Geographic Breakdown



Market Cap Breakdown

| | % of Portfolio | No. of Stocks |
|-----------------|----------------|---------------|
| Above €5bn | 48.6 | 22 |
| €2bn - €5bn | 13.3 | 7 |
| Below €2bn | 35.5 | 18 |
| Cash and Income | 2.6 | N/A |
| Total | 100.0 | 47 |

Disclaimer: The value of any investment, and any income from it, can rise and fall with movements in stockmarkets, currencies and interest rates. These can move irrationally and can be affected unpredictably by diverse factors, including political and economic events. This could mean that you won't get back the amount you originally invested. This fund can invest in smaller companies and carries a higher degree of risk than funds investing in larger companies. The shares of smaller companies may be less liquid and their performance more volatile over shorter time periods. This document is provided for information purposes only and should not be interpreted as investment advice. If you have any doubts as to the suitability of an investment, please consult your financial adviser. The information contained in this document has been obtained from sources that Chelverton Asset Management Limited ("CAM") considers to be reliable. However, CAM cannot guarantee the accuracy or completeness of the information provided, and therefore no investment decision should be based solely on this data. Past performance is not a guide to future performance. This document is issued by CAM, Authorised and regulated by the Financial Conduct Authority. This document does not represent a recommendation by CAM to purchase shares in this Fund. We recommend private investors seek the services of a Financial Adviser. Maitland Institutional Services Limited are the Authorised Corporate Director of this fund and prospectuses for the fund are obtainable directly from them. Please email Chelverton@maitlandgroup.co.uk or call +44 (0) 1245 459 962.